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8 UNITED STATES BANKRUPTCY COURT

9 IN AND FOR THE EASTERN DISTRICT OF WASHINGTON

10 In re:

11 No. **11-04445-PCW11**

12 **SPOKANE HOME HEALTHCARE, INC.,**

13 Chapter 11

14 Debtor.

15 **CONCLUSIONS OF LAW**

16 **THIS MATTER** came on for hearing on the filing of the Plan of Reorganization
17 ("Plan") and the final approval of the Disclosure Statement ("Disclosure Statement"), the
18 Court having herein entered its Findings of Fact, based upon the evidence produced, the
19 Court now makes the following:

20 **CONCLUSIONS OF LAW**

21 1. The Plan has been accepted in writing by the creditors and equity security
22 holders whose acceptance is required by law;

23 2. The provisions of Chapter 11 have been complied with and the Plan has
24 been proposed in good faith and not by means forbidden by law;

25 3. (i) Each holder of a claim or interest has accepted the Plan or will receive or
retain under the Plan, property of a value, as of the effective date of the Plan, that is not
less than the amount that such holder would receive or retain if the Debtor were liquidated
under Chapter 7 of the Code on such date, or (ii) the Plan does not discriminate unfairly,

Conclusions of Law-1

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1 and is fair and equitable with respect to each class of claims or interest that are impaired
2 under the Plan and has not accepted the Plan;

3 4. All payments made or promised by the Debtor or by a person issuing
4 securities or acquiring property under the Plan or by an other person for services or for
5 costs and expenses in, or in connection with, the Plan and incident to the case, have been
6 fully disclosed to the Court and are reasonable or, if to be fixed after confirmation of the
7 Plan, will be subject to approval of the Court;

8 5. The identity qualifications and affiliations of the persons who are to be
9 officers, directors, and/or shareholders of the Debtor after confirmation of the Plan have
10 been fully disclosed, and the appointment of such persons to such offices or the continued
11 appointment of such persons to such offices, or their continuance therein, is equitable and
12 consistent with the interests of the creditors and equity security holders and with public
13 policy;

14 6. The identity of any insider that will be employed or retained by the Debtor
15 and their compensation has been fully disclosed;

16 7. (i) Confirmation of the Plan is not likely to be followed by the liquidation or
17 the need for further financial reorganization of the Debtor or (ii) if the Plan is a Plan of
18 liquidation, the Plan sets a time period in which liquidation will be accomplished, and
19 provides for eventuality if the liquidation is not accomplished in that period;

20 8. Substantial consummation shall not occur before the sixtieth (60th) day after
21 the Effective Date;

22 9. Debtor's Disclosure Statement is approved; and
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Conclusions of Law-2

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